



CANADA NICKEL COMPANY

Canada Nickel Confirms Discovery at Mann Northwest Property

Highlights

- First eight holes drilled at Mann Northwest intersected multi-hundred metre intervals of mineralized peridotite and minor dunite across combined strike length of 2.7 kilometres
- Target remains open in all directions
- Mann Northwest target geophysical footprint of 6.0 km² is more than triple the size of Crawford project footprint
- Hole MAN23-02 returned 0.26% Ni over core length of 210 metres including 0.31% nickel over 33 metres. Hole ended with 0.52 g/t Pt+Pd over 29 metres

TORONTO, August 22, 2023 – Canada Nickel Company Inc. ("Canada Nickel" or the "Company") (TSXV: CNC) (OTCQX: CNIKF) today released drilling results from a further three holes and assay results from the first five of eight holes drilled on its Mann Northwest Property located in the prolific Timmins Nickel District in Ontario.

Mark Selby, CEO of Canada Nickel commented, "Our regional exploration program continues to deliver with today's confirmation of another discovery at Mann Northwest, part of Canada Nickel's Timmins Nickel District. Mann Northwest has a target footprint *more than three times* that of Crawford and is one of eleven properties with a target footprint larger than Crawford. Three additional holes extended the strike length of mineralization by more than 1,100 metres to 2,650 metres, and assays from first five holes confirmed grades in line with expectations."

Mann Northwest Property

The Mann property is located 22 kilometres east of Crawford, 20 kilometres south of Cochrane, and 45 kilometres northeast of Timmins. Canada Nickel has an ability to earn an 80% interest in the property owned by Noble Minerals (see press release November 22, 2021). Drilling began at Mann Northwest, which has a target footprint of 6.0 km², - compared to Crawford target footprint of 1.6 km² (see Figure 1).

Drilling started in the Northwest zone, with a total of eight holes drilled, all of them intersecting mineralized sections of predominantly well serpentized peridotite and minor dunite. This release discloses assay results from the first five drillholes, assays for the other three drillholes are pending (Table 1)

The first five holes delineated mineralization along 1,150 metres of strike length and a width of at least 500 metres. The additional three holes, extended the potential strike length to 2,650 metres. The target remains open in all directions.

MAN23-01 drilled to the southwest and intersected peridotite from top to bottom only interrupted by 23.5 metres of pyroxenite with 0.44 g/t Pt+Pd. Initial samples were taken for mineralogical testing (QEMSCAN), confirming samples are very well serpentinized with varying amounts of Heazlewoodite and Pentlandite.

MAN23-02 intersected 348.5 metres at 0.23% Ni in peridotite and finished in 28.9 metres of 0.52g/t Pt+Pd in pyroxenite.

MAN23-03 drilled to the northeast and intersected mineralized peridotite at the top and dunite at the bottom, with an average grade of 0.23% Ni over 291.5 metres. The hole ended in dunite at 402 metres only interrupted by diabase dykes near the bottom.

MAN23-04 drilled near the southern end of the target and intersected 301.5 metres of peridotite with 0.18% Ni, followed by 16 metres of 0.41 metres of Pt+Pd in pyroxenite.

MAN23-05 drilled to the southwest and intersected a sequence of peridotite with minor dunite and pyroxenite. The hole assayed 366.5 metres of 0.20 Ni, including 11.0 metres of 0.44 g/t Pt+Pd. Hole ended in mineralized peridotite.

MAN23-13 drilled to the southwest approximately 750 metres northwest of MAN23-05. The hole intersected 404.5 metres of interlayered dunite, peridotite and pyroxenite with predominantly moderate to strong serpentinization.

MAN23-14 drilled to the northeast collaring and terminating in mineralized dunite with intervals of peridotite. The hole is moderate to well mineralized and moderate to well serpentinized across core length of 390.0 metres.

MAN23-15 drilled to the northeast testing a fold hinge of a major structure, it intersected 415 metres of a sequence of dunite, peridotite, pyroxenite and gabbro. The hole has sections of very well mineralized and well serpentinized ultramafic.

Table 1: Mann drilling downhole composite

Hole ID	From (m)	To (m)	Length (m)	Ni (%)	Co (%)	Pt+Pd (g/t)	Pd (g/t)	Pt (g/t)	Cr (%)	Fe (%)	S (%)
MAN23-01	19.8	432.0	412.2	0.19	0.01	0.047	0.028	0.019	0.37	6.99	0.03
including	310.6	334.1	23.5	0.04	0.01	0.445	0.245	0.200	0.42	4.97	0.01
and	351.0	432.0	81.0	0.24	0.01	0.007	0.003	0.004	0.32	7.11	0.01
MAN23-02	24.6	373.1	348.5	0.23	0.01	0.04	0.025	0.015	0.37	6.76	0.07
Including	35.8	246.0	210.2	0.26	0.01	0.041	0.026	0.015	0.38	6.34	0.07
Including	208.5	241.5	33.0	0.31	0.01	0.057	0.038	0.019	0.45	6.21	0.09
and	373.1	402.0	28.9	0.03	0.01	0.523	0.294	0.229	0.36	5.79	0.02
MAN23-03	36.0	327.5	291.5	0.23	0.01	0.011	0.005	0.006	0.23	5.93	0.07
and	379.0	402.0	23.0	0.22	0.01	0.009	0.003	0.006	0.15	6.17	0.16
MAN23-04	18.0	319.5	301.5	0.18	0.01	0.02	0.009	0.011	0.33	7.26	0.05
and	319.5	335.5	16.0	0.01	0.01	0.414	0.238	0.176	0.33	5.75	0.01
MAN23-05	35.5	402.0	366.5	0.20	0.01	0.032	0.019	0.013	0.44	6.75	0.06
including	235.0	246.0	11.0	0.04	0.01	0.444	0.272	0.172	0.38	4.24	0.03

Figure 1. Plan View of Mann Northwest with completed drilling.

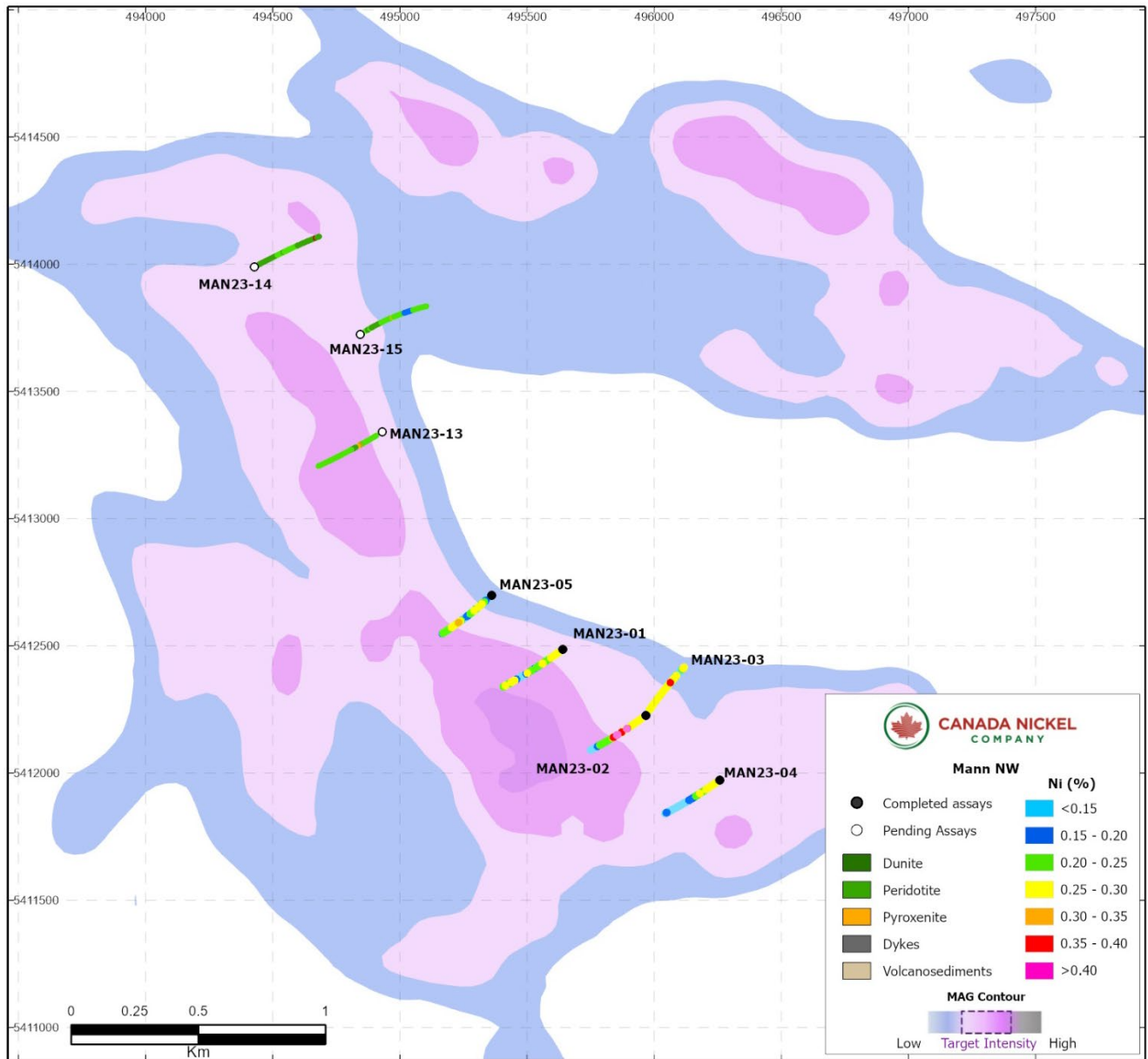


Table 2: Drillhole Orientation

Hole ID	Zone	Easting (mE)	Northing (mN)	Azimuth (°)	Dip (°)	Length (m)
MAN23-01	NW	495641	5412486	235	-50	432
MAN23-02	NW	495967	5412226	235	-50	402
MAN23-03	NW	495967	5412226	35	-50	402
MAN23-04	NW	496257	5411972	235	-50	402
MAN23-05	NW	495360	5412699	225	-50	402
MAN23-13	NW	494930	5413340	240	-50	444
MAN23-14	NW	494429	5413990	62	-50	420
MAN23-15	NW	494845	5413725	60	-50	450

Other Updates

Canada Nickel also announces today that, subject to the approval of the TSX Venture Exchange, it has agreed to issue an aggregate of 61,982 common shares of the Company at a deemed issue price of \$1.15 per common share in satisfaction of an aggregate of \$71,280 in obligations due to a service provider of the Company. Such common shares will be subject to a four-month hold period under applicable securities laws.

The Company also announces that it has entered into an amending agreement to the previously announced option agreement dated February 2, 2022, pursuant to which the Company and the optionor thereunder agreed to accelerate the option for the Company to acquire a 100% interest in certain mining claims located in the Province of Ontario. Under the amending agreement, the Company agreed to advance the balance of the previously announced share and cash payments due thereunder in full satisfaction of the option without the need to incur any additional exploration expenditures.

Assays, Quality Assurance/Quality Control and Drilling and Assay

Edwin Escarraga, MSc, P.Geo., a "qualified person" as defined by National Instrument 43-101, is responsible for the on-going drilling and sampling program, including quality assurance (QA) and quality control (QC). The core is collected from the drill in sealed core trays and transported to the core logging facility. The core is marked and sampled at 1.5 metre lengths and cut with a diamond blade saw. One set of samples is transported in secured bags directly from the Canada Nickel core shack to Actlabs Timmins, while a second set of samples is securely shipped to SGS Lakefield for preparation, with analysis performed at SGS Burnaby or SGS Callao (Peru). All are ISO/IEC 17025 accredited labs. Analysis for precious metals (gold, platinum and palladium) are completed by Fire Assay while analysis for nickel, cobalt, sulphur and other elements are performed using a peroxide fusion and ICP-OES analysis. Certified standards and blanks are inserted at a rate of 3 QA/QC samples per 20 core samples making a batch of 60 samples that are submitted for analysis.

Qualified Person and Data Verification

Stephen J. Balch P.Geo. (ON), VP Exploration of Canada Nickel and a "qualified person" as is defined by National Instrument 43-101, has verified the data disclosed in this news release, and has otherwise reviewed and approved the technical information in this news release on behalf of Canada Nickel Company Inc.

The magnetic images shown in this press release were created from Canada Nickel's interpretation of datasets provided by the Ontario Geological Survey.

About Canada Nickel Company

Canada Nickel Company Inc. is advancing the next generation of nickel-sulphide projects to deliver nickel required to feed the high growth electric vehicle and stainless steel markets. Canada Nickel Company has applied in multiple jurisdictions to trademark the terms NetZero Nickel™, NetZero Cobalt™, NetZero Iron™ and is pursuing the development of processes to allow the production of net zero carbon nickel, cobalt, and iron products. Canada Nickel provides investors with leverage to nickel in low political risk jurisdictions. Canada Nickel is currently anchored by its 100% owned flagship Crawford Nickel-Cobalt Sulphide Project in the heart of the prolific Timmins-Cochrane mining camp. For more information, please visit www.canadanickel.com.

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Cautionary Statement Concerning Forward-Looking Statements

This press release contains certain information that may constitute "forward-looking information" under applicable Canadian securities legislation. Forward looking information includes, but is not limited to, the carbon capture approach could allow production of Net Zero nickel and generation of an additional tonnes of CO₂ credits per tonne of nickel produced after offsetting all emissions, the potential to turn nickel mine into a generator of carbon credits rather than generator of carbon emissions, the production of estimated average of 710,000 tonnes of carbon credits annually and 18 million total tonnes of CO₂ of credits over expected life of mine at Crawford, the ability to monetize carbon credits, the ability to quantify carbon capture, emission estimates, the brucite content of the deposit, the scalability of the process, the metallurgical results, the timing and results of the feasibility study including the viability of the inclusion of the IPT Carbonation Process and related facilities as part of the project, the results of Crawford's PEA, including statements relating to net present value, future production, estimates of cash cost, proposed mining plans and methods, mine life estimates, cash flow forecasts, metal recoveries, estimates of capital and operating costs, timing for permitting and environmental assessments, realization of mineral resource estimates, capital and operating cost estimates, project and life of mine estimates, ability to obtain permitting by the time targeted, size and ranking of project upon achieving production, 5 economic return estimates, the timing and amount of estimated future production and capital, operating and exploration expenditures and potential upside and alternatives. Readers should not place undue reliance on forwardlooking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Canada Nickel to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. The PEA results are estimates only and are based on a number of assumptions, any of which, if incorrect, could materially change the projected outcome. There are no assurances that Crawford will be placed into production. Factors that could affect the outcome include, among others: the actual results of development activities; project delays; inability to raise the funds necessary to complete development; general business, economic, competitive, political and social uncertainties; future prices of metals or project costs could differ substantially and make any commercialization uneconomic; availability of alternative nickel sources or substitutes; actual nickel recovery; conclusions of economic evaluations; changes in applicable laws; changes in project parameters as plans continue to be refined; accidents, labour disputes, the availability and productivity of skilled labour and other risks of the mining industry; political instability, terrorism, insurrection or war; delays in obtaining governmental approvals, necessary permitting or in the completion of development or construction activities; mineral resource estimates relating to Crawford could prove to be inaccurate for any reason whatsoever; additional but currently unforeseen work may be required to advance to the feasibility stage; and even if Crawford goes into production, there is no assurance that operations will be profitable. Although Canada Nickel has attempted to identify important

factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this news release and Canada Nickel disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by applicable securities laws. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.